

Adopted	Rejected
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## COMMITTEE REPORT

YES:	18
NO:	0

### MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1448, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, delete lines 1 through 17.
- 2 Delete page 2.
- 3 Page 3, delete lines 1 through 40.
- 4 Page 5, delete lines 6 through 42, begin a new paragraph and insert:
- 5 "SECTION 1. IC 6-8-13 IS ADDED TO THE INDIANA CODE AS
- 6 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 7 1, 2009]:
- 8 **Chapter 13. Indiana Long Term Care Savings Plan**
- 9 **Sec. 1. As used in this chapter, "eligible long term care expense"**
- 10 **means:**
- 11 **(1) an expense paid by a participant for long term care**
- 12 **provided to the participant; or**
- 13 **(2) a premium paid by a participant who is at least fifty (50)**
- 14 **years of age for a qualified long term care policy for the**

1 participant.

2 Sec. 2. As used in this chapter, "financial institution" has the  
3 meaning set forth in IC 5-13-4-10.

4 Sec. 3. As used in this chapter, "Internal Revenue Code" has the  
5 meaning set forth in IC 6-3-1-11.

6 Sec. 4. As used in this chapter, "long term care" has the meaning  
7 set forth in IC 12-15-39.6-1.

8 Sec. 5. As used in this chapter, "participant" means an  
9 individual who is participating in the plan.

10 Sec. 6. As used in this chapter, "plan" refers to the Indiana long  
11 term care savings plan established by section 9(a) of this chapter.

12 Sec. 7. As used in this chapter, "qualified long term care policy"  
13 has the meaning set forth IC 12-15-39.6-5.

14 Sec. 8. As used in this chapter, "taxable year" has the meaning  
15 set forth in IC 6-3-1-16.

16 Sec. 9. (a) The Indiana long term care savings plan is created for  
17 the purpose of funding by a participant on a tax-favored basis an  
18 account to pay eligible long term care expenses of the participant.

19 (b) The department of financial institutions shall enter into  
20 agreements with one (1) or more financial institutions to receive  
21 contributions in the form of account deposits.

22 Sec. 10. (a) After December 31, 2009, an individual may  
23 participate in the plan by making contributions to an account at a  
24 financial institution with which the department of financial  
25 institutions has an agreement under section 9(b) of this chapter.

26 (b) A participant may make contributions under the plan to an  
27 account with a financial institution with which the department of  
28 financial institutions has an agreement under section 9(b) of this  
29 chapter. However, a participant may not contribute more than one  
30 hundred sixty-five thousand dollars (\$165,000) to the plan during  
31 the participant's lifetime. The dollar amount of the maximum  
32 lifetime contribution must be adjusted annually for inflation in  
33 accordance with Section 151 of the Internal Revenue Code.

34 (c) A participation agreement must provide the following:

35 (1) That the agreement may be:

36 (A) canceled by a participant; or

37 (B) transferred to a participant's spouse:

38 upon the terms and conditions set by the department of

- 1           **financial institutions.**
- 2           **(2) That a participant is the owner of contributions made to**
- 3           **the plan, plus credited earnings on the contributions, unless**
- 4           **the participant transfers the agreement.**
- 5           **(3) That if:**
- 6               **(A) a participant cancels the agreement; or**
- 7               **(B) the plan established by section 9(a) of this chapter is**
- 8               **terminated;**
- 9           **a participant is entitled to receive the amount of the**
- 10           **participant's contributions to the plan plus credited earnings**
- 11           **on the participant's contributions. A participant may not**
- 12           **receive more than the fair market value of the participant's**
- 13           **account on the date the participant's account is liquidated.**
- 14           **Sec. 11. IC 6-3-2-22 governs state income tax treatment of**
- 15           **contributions to, investment earnings or interest on, withdrawals**
- 16           **from, and distributions from the plan established under this**
- 17           **chapter.**
- 18           **Sec. 12. The department of financial institutions may adopt**
- 19           **rules under IC 4-22-2 that it considers appropriate or necessary to**
- 20           **implement this chapter.**
- 21           **Sec. 13. This chapter may not be construed as an obligation of**
- 22           **the state to assume any responsibility for the Indiana long term**
- 23           **care savings plan."**
- 24           Delete pages 6 through 7.
- 25           Page 8, delete lines 1 through 10.
- 26           Renumber all SECTIONS consecutively.
- (Reference is to HB 1448 as introduced.)

**and when so amended that said bill do pass.**

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Representative Crawford